



JANET T. MILLS  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY  
OFFICE OF THE COMMISSIONER  
22 STATE HOUSE STATION  
AUGUSTA, MAINE 04333

AMANDA E. BEAL  
COMMISSIONER

TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON LABOR AND  
HOUSING

IN OPPOSITION TO 589

*An Act to Make Agricultural Workers and Other Related Workers  
Employees Under the Wage and Hour Laws*

April 2, 2025

Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing, my name Nancy McBrady, and I am the Deputy Commissioner of the Department of Agriculture, Conservation and Forestry. I am speaking on behalf of the Department in opposition to LD 589, *An Act to Make Agricultural Workers and Other Related Workers Employees Under the Wage and Hour Laws*.

Maine farmers produce an abundance of high-quality crops and products across the state. They are stewards of our natural resources, help preserve open space, and are economic engines in local rural communities. Farms vary in size and scope across the state, but most are small. According to the 2022 USDA Agricultural Census, 75% of Maine farms have farm sales of less than \$25,000/year.

Farming in Maine is highly variable and full of challenges, including ever-changing weather, short growing seasons, high costs of production, drought, pests, and the lack of a stable local labor force. External factors such as rising inflation and uncertain market dynamics eat into already razor-thin margins. Given the differences in the types and sizes of farming operations, labor needs are not uniform across the state. The Department hears from farmers who pay competitive wages in order to attract workers in the tight labor market, and many would like to pay more or provide additional benefits to their employees if they could afford it.

For reasons outlined in our testimony regarding LD 357, while we support having agricultural workers be paid the state minimum wage, we would prefer that the agricultural minimum wage be governed in a new subchapter within Title 22 as proposed by that legislation (and LD 655, which is the bill we support) instead of adding agricultural workers to Title 22, chapter 7, subchapter 3.

The Department is also concerned that requiring overtime pay is economically impossible for many producers and would result in many employers reducing hours for current workers or possibly exiting farming entirely. That could cut wages for current workers and be a disincentive to new workers, thus compounding the already difficult labor shortage that Maine agriculture

HARLOW BUILDING  
18 ELKINS LANE  
AUGUSTA, MAINE



PHONE: (207) 287-3200  
FAX: (207) 287-2400  
WEB: WWW.MAINE.GOV/DACF

faces. Further, although some farms may be able to pass increased labor costs onto the consumer, other producers (such as dairy producers, where prices are set by federal pricing policies) will be unable to do so. These farms are price takers, not price makers.

States such as California, Oregon, and New York have phased in higher agricultural overtime requirements in recent years. Some policies also include earning exclusions or offering employer tax credits that Maine could potentially learn from. However, recent research regarding the impacts of these overtime policies is illuminating. A 2022 study conducted by Cornell University analyzed the impact of New York State's overtime threshold reduction from 60 hours to 40 hours and found that 70% of farm employers expected to reduce worker hours to avoid the added costs.<sup>1</sup> The study also revealed that 40% of surveyed farms anticipated switching to mechanization, further reducing employment opportunities. A UC Berkely study shows that during the first two years of California's agriculture overtime law, the number of employees working overtime hours has roughly dropped in half and decreased worker pay by \$100 a week.<sup>2</sup> A 2021 report by Farm Credit East concluded that the resulting increase in labor costs will disincentivize growing New York's agricultural sector.<sup>3</sup> If farms cease operations or drastically shift to less labor-intensive crops, the state will lose jobs in agriculture as well as related processing and marketing businesses.

In sum, LD 589 would be a significant shift in the state's agricultural policy and would heighten the economic risks facing Maine agriculture at this time. We encourage the Committee to consider the research and results from these other states with overtime laws and to listen to the concerns of farmers and farmworkers to ensure that the full economic and labor impacts of this bill as a whole are understood.

Thank you for your time. I'm happy to answer any questions here or at the work session.

---

<sup>1</sup> Stup et al. (2022). *How New York Farmers Adapted to New Farm Labor Overtime Requirements*. <https://cornell.app.box.com/s/ag2da6v9zvlr9lnnmrlhtqmt0h3cx932>

<sup>2</sup> Alexandra E. Hill (2023). *California's Overtime Law for Agricultural Workers: What Happened to Worker Hours and Pay?*. Giannini Foundation of Agricultural Economics, University of California. Vol. 27, No. Sept/Oct 2023. . [https://s.giannini.ucop.edu/uploads/pub/2023/12/13/v27n1\\_1.pdf#:~:text=California's%20Overtime%20Law%20for%20Agricultural,to%20Worker%20Hours%20and%20Pay%3F&text=California's%20new%20overtime%20law%20for,earnings%20for%20California%20crop%20workers](https://s.giannini.ucop.edu/uploads/pub/2023/12/13/v27n1_1.pdf#:~:text=California's%20Overtime%20Law%20for%20Agricultural,to%20Worker%20Hours%20and%20Pay%3F&text=California's%20new%20overtime%20law%20for,earnings%20for%20California%20crop%20workers).

<sup>3</sup> Farm Credit East. (2022). *The Economic Consequences of Lowering the Overtime Threshold in New York Agriculture*. <https://www.farmcrediteast.com/en/resources/Industry-Trends-and-Outlooks/Reports/economic-impact-of-overtime-pay-for-nys-agriculture>